
REAL ID ACT of 2005

September 2007 Update

Prepared by the Office of Legislative Research and General Counsel (September 2007)

Review of Act

Purpose: improve identification of security, based on recommendations made by 9/11 Commission after studying 9/11 hijackers ease in obtaining identification.

Method: Citizens may not use state-issued identification at federal facilities unless the identification is issued in accordance with the REAL ID Act of 2005 and Department of Homeland Security rules.

Major Concerns:

- **Privacy:** Act requires verification of identity, including storage of personal documents (such as birth certificate) and exchange of personal, sensitive information between states
- **Cost:** Additional identity verification and security measures will increase cost of operating Driver License Division due to both capital and operational costs
- **Timing:** Because the Act takes effect in May 2008, States must decide soon whether to comply, and how to pay for compliance
- **Federalism:** A number of states and NCSL have expressed concerns with the method the Act uses, bypassing a traditional realm of state responsibility and forcing the cost to the states. A shared rulemaking process to improve driver license security had already begun between many stakeholders (including states) when the REAL ID Act was enacted.

Current Status

Awaiting final rules that are scheduled to be released in September. The final rules will allow the states to better measure total impacts (costs and otherwise) from the Act.

Estimated State Financial Impacts

One-time Costs: \$10 million
Ongoing Costs: \$7 to \$8 million annually

\$5 to \$6 per licensee one-time and \$20 per licensee ongoing
*preliminary estimates by Driver License Division. Estimates will change as more information is gathered and final rules are released. Estimates assume all licensees share in cost of REAL ID program.

Statutory Changes	<p>Significant statutory changes will be required including:</p> <ul style="list-style-type: none"> • Fees for REAL ID compliant or other cards • Determination of who may be licensed • Changes to driving privilege card, if still offered • Information on license or ID card • Applicant information required for licensure
Other States' Actions to Date	<ul style="list-style-type: none"> • 7 states have refused to comply (ME, MT, NE, NH, OK, SC, WA) • 2 States have refused to comply in practice (ID, GA) • 12 States Passed Resolutions Urging Congress to Repeal (AR, CO, HA (2), ID, IL, ME, MO, ND, NV, PA, SC, UT) • 3 State Passed Resolutions Urging Congress to Fix REAL ID (AR, AZ, MI) • Some States Making Efforts to Comply: <ul style="list-style-type: none"> • Indiana: statutory changes to comply • Michigan: pilot program to comply • Nevada: statutory changes to comply AND both appropriations and authority to seek federal aid • Ohio: direction for DPS director to request extension of time from Department of Homeland Security • Tennessee: appropriates money for REAL ID
Policy Questions	<ol style="list-style-type: none"> 1. How Should Utah Proceed? <ul style="list-style-type: none"> • Comply • Comply with Selected Portions • Request Extension--Decide • Refuse to Comply 2. What Identity Documents Should Utah Provide? <ul style="list-style-type: none"> • REAL ID Only • Non-REAL ID Only • Driving Privilege Card • Combination 3. How Should Utah Cover Compliance Costs? <ul style="list-style-type: none"> • All Users • REAL ID Users • General Fund • Federal Funding